

Health Insurance Options for People with Disabilities



This handout is designed to help you assess available options. It does not imply endorsement of any option by the SHIBA HelpLine or the Washington State Office of the Insurance Commissioner.

Consumers with disabilities who are NOT eligible for Medicare

If you have a disability but are *not* eligible for Medicare, your health insurance options will depend on your age, geographic location, and income. See the SHIBA HelpLine handout "*Health Insurance Options in the Individual Market*" for a current list of your options. You can view this document on our web page at: www.insurance.wa.gov

If you have HIV or AIDS and meet income guidelines, there are programs available to assist you in covering some of your medical expenses. If you have AIDS, The Evergreen Health Insurance Program (EHIP) can assist you in paying your insurance premiums. For more information contact EHIP at 1-800-945-4256.

If you have HIV, the Early Intervention Program (EIP) can provide financial assistance for medical coverage, prescription drugs, and dental coverage. You may also become eligible for assistance with paying insurance premiums. For more information on EIP, contact the Department of Health at 1-800-272-2437.

Consumers with disabilities who ARE eligible for Medicare

Persons with disabilities who have been entitled to Social Security or Railroad Retirement Act disability benefits for 24 months are eligible for Medicare coverage in the 25th month. To learn more about how to apply for Social Security benefits, call 1-800-772-1213 (for hearing-impaired, TTY: 1-800-325-0778) or visit their web page at www.ssa.gov.

End Stage Renal Disease (ESRD): People who have permanent kidney failure, need regular dialysis, or have had a kidney transplant and are receiving Social Security benefits are eligible for Medicare. These patients must file for Medicare benefits at the Social Security office.

MEDICARE BENEFITS AND EMPLOYER PLANS

If you are on Medicare by reason of disability and either you or your spouse is covered by a large group health plan (sponsored by an employer/employee organization of 100+ workers), the employer plan will provide your primary coverage and Medicare will be secondary. If you are *not* covered by such a plan, Medicare will be primary.

Medicare is a major medical plan that provides a basic foundation of benefits. However, it does *not* pay 100% of all medical bills. Medicare beneficiaries are responsible for premiums, deductibles, and coinsurance. These amounts can be significant. Because of these costs, most beneficiaries need some kind of plan, policy or program to fill in the “gaps.”

Although people with disabilities face the same gaps in coverage as clients 65 and over, the rules regulating those options are different. Following are the primary options available to consumers on Medicare disability in Washington state who need to supplement their Medicare coverage.

OPTIONS FOR SUPPLEMENTING MEDICARE

1) QMB/SLMB/QI-1 AND QDWI

Several government programs help pay some Medicare expenses for people with limited income/resources. If you are eligible, these programs do not cost you *anything*.

- QMB (Qualified Medicare Beneficiary) pays your monthly Medicare Part A premium (if any), your Medicare Part B premium (\$66.60), *and* all of your deductibles and coinsurance.
- SLMB (Specified Low-Income Medicare Beneficiary) and QI-1 (Qualified Individual) pay your monthly Medicare Part B premium only.
- QDWI (Qualified Disabled Working Individual) pays for your Medicare Part A premium **ONLY**. It is for individuals who have lost their Medicare Part A benefits due to their return to work. To qualify you must have income of 200% of the Federal Poverty Level (FPL) or less; resources that do not exceed twice the limit for SSI eligibility; and you must not be eligible for Medicaid.

Qualifying Income/Resource Limits

To be eligible for these programs, your resources must be less than \$4,000 for an individual and \$6,000 for a couple. (Resources do *not* include your home, your car or your household belongings). As of April 1, 2004, your monthly income from all sources (wages, Social Security, pensions, etc.) *must* be less than the following:

	QMB	SLMB	QI-1	QDWI
Individual	\$776	\$931	\$1,048	\$1,552
Couple	\$1,041	\$1,249	\$1,406	\$2,082

These figures change regularly (usually annually). If you think you might be eligible, you can contact your local Community Service Office (CSO) for an application. Your CSO's phone number is listed under the Department of Social and Health Services (DSHS) in your local phone directory.

2) MEDICAID PROGRAMS

HEALTHCARE FOR WORKERS WITH DISABILITIES (HWD) PROGRAM

This is an expanded Medicaid program for people with disabilities ages 16 through 64 who want to work and who have income at or below 220% of the federal poverty level. Under this program, people with disabilities can earn more money and purchase health care coverage for an amount based on a sliding scale. The HWD program has the same benefits as the Categorically Needy program (CN) and has no asset requirement.

Income requirement: Single: \$1,707 Couple: \$2,290

For more information regarding the HWD program, please visit the Department of Social and Health Services (DSHS) website at www.dshs.wa.gov or call 1-866-272-7630 (Voice) or 509-826-7389 (TTY).

OTHER MEDICAID PROGRAMS

There are several Medicaid programs that you may be eligible for, depending on your income and assets. Many of these programs provide coverage for prescription drugs. For more information, please contact your local Community Services Office (CSO).

3) MEDICARE MANAGED CARE

If there are any Medicare managed care plans available in your area, they are required to enroll consumers who are under 65 and eligible for Medicare. There are no waiting periods for pre-existing conditions, and the plan *must* enroll you *unless* you have ESRD (kidney failure) or the plan is closed to enrollment county-wide.

Generally speaking, Medicare managed care plans will charge you a monthly premium and a co-pay of \$10 to \$30 each time you see a doctor. Most plans do not cover prescription drugs, but some offer discounts. Managed care plans deliver all *medically necessary* treatment covered by Medicare. In other words, if it's a Medicare-covered benefit, the managed care plan must provide it.

Remember, however, that with managed care you can *only* see those providers who are within the plan's network, and your primary care physician (PCP) may be required to provide authorization before you can see a specialist or go to the hospital.

In many parts of the state, managed care may not be an option (plans may not be available in your area). To find out which (if any) plans are available in your area, review the SHIBA HelpLine chart "Medicare Advantage Plans in Washington State" which can be viewed on the SHIBA HelpLine website (accessible from www.insurance.wa.gov). Or call 1-800-397-4422 to request a chart.

4) PRIVATE FEE-FOR SERVICE PLAN

There is currently only one private fee-for-service plan on the market in Washington. It is offered by Sterling Life Insurance Company. It is not an option for people with End Stage Renal Disease (ESRD).

This plan covers both Medicare-covered services and some supplemental coverage. It combines some of the advantages (and disadvantages) of "original Medicare" fee-for-service with those of managed care and private insurance.

Under a Medicare private fee-for-service plan, you continue to pay Part B premiums to Medicare, and you also pay a premium directly to the insurance company for the plan.

The plan covers all Medicare-covered care from any provider willing to accept it. It also offers the freedom to choose doctors and hospitals, switch providers at your discretion, see specialists without referral, and move or travel without losing coverage or having to pay extra.

Be aware that a provider can decide to accept or reject participation with this plan, so check with your health care provider(s) before signing up for this type of plan. Plans must renew their contracts with Medicare on an annual basis, thus leaving the possibility of termination. For more information, contact Sterling at 1-888-858-8551 or visit their website at www.sterlingplans.com.

5) MEDIGAP INSURANCE (MEDICARE SUPPLEMENT)

Medigap policies help to supplement Medicare by paying some of the out-of-pocket expenses you incur (deductibles, coinsurance, and other charges). Which gaps are filled depends upon which policy you select. Medigap is a “fee-for-service” option. Most of these plans allow you to see the provider of your choice, though some require you to use a network provider.

Medigap options are limited for Medicare beneficiaries who are under 65. These options may change from time to time. Premium rates listed on the next page are filed and approved by the Washington State Insurance Commissioner’s Office. Some companies may offer rates lower than those published. Companies may discount premiums paid through automatic checking withdrawal or those paid in advance. Due to frequent changes, always check with the company for the latest premiums. The rates on this chart are valid as of MARCH 2004.

The inclusion of a company on the list (*see chart on the last page of this document*) does not constitute an endorsement of an insurance company or its policies by the Washington State Insurance Commissioner’s office, the SHIBA HelpLine, or its volunteers.

6) WASHINGTON STATE HEALTH INSURANCE POOL (WSHIP)

The Washington State Health Insurance Pool (WSHIP) offers health insurance coverage to Washington State residents who do not have access to adequate health insurance coverage in the private market. One of these plans serves as a Medicare supplement.

This plan is *only* available to consumers who are enrolled in Medicare Parts A and B. It pays the Medicare deductibles and coinsurance and offers extensive prescription drug coverage. Premiums are based on age. (*See list, last page.*) You are eligible for this coverage if you have applied for a Medigap policy and the company has turned you down. You must then submit your letter of denial along with your application in order to be accepted into WSHIP.

WSHIP Medicare Standard Plan (Plan 2, Basic Rates) Premiums as of 1/1/04

Age	Premium
0-34	\$307.35
35-44	\$365.26
45-54	\$396.43
55-59	\$485.52
60-64	\$579.06
65-69*	\$483.49
70-74*	\$576.36
75-79*	\$663.92
80-84*	\$687.84
85+ *	\$705.02

* You may be eligible for a discount on premiums if you had prior medical coverage for 18 months without a substantial break in coverage.

For an application and further information contact the administrator:

BMI

1-800-877-5187

www.wship.org

Medigap Policies for Medicare Beneficiaries Under Age 65

Premiums effective April 2004. Check with plans for current rates.

COMPANY	PRE-EX?	PLAN A	PLAN B	PLAN C	PLAN D	PLAN E	PLAN F	PLAN G	PLAN H	PLAN I	PLAN J
AARP / UNITED HEALTH 800-523-5800 (age 50 to 65)	90/90	A/G 71	A/G 110	A/G 125	A/G 116	A/G 116	A/G 126	A/G 117	A/G 185	A/G 186	A/G 239
AARP members age 50-64 who are eligible for Medicare by reason of disability can apply for coverage (A-G guaranteed issue; H,I,J subject to underwriting) only if they are replacing their current Medicare supplement plan or other more comprehensive coverage.											
BANKERS FIDELITY LIFE 1-866-458-7499	NONE	83	187	216			231				
Bankers Fidelity Life also has a high deductible Plan F for \$139.											
OXFORD LIFE INSURANCE 1-877-469-3073		238	307	367	349		382			545	
PREMERA BLUE CROSS 1-800-752-6663	90/90	A/G 130									
REGENCE BLUE SHIELD 1-888-344-5594	NONE	A/G 111									
Regence Blue Shield offers plans in the following counties: Clallam, Cowlitz, Columbia, Grays Harbor, Island, Lewis, Jefferson, King, Kitsap, Klickitat, Pacific, Pierce, San Juan, Skagit, Skamania, Snohomish, Thurston, Wahkiakum, Walla Walla, Whatcom, and Yakima.											
STATE FARM INSURANCE (call local agent)	NONE	A 89		A 131			A 150				
Only available if replacing an existing plan. Call local agent for more info.											
UNITED AMERICAN INS. 1-360-735-5652	90/90		A 233								
WASHINGTON STATE HEALTH CARE AUTHORITY (HCA) BLUE CROSS PLANS 1-800-295-1841	NONE	A 141				A 162					A 404
These plans are guaranteed issue for new residents (60-day open enrollment) and during 6-month open enrollment period following Part B effective date.											

A = Automatic claim processing in Washington State (crossover with Medicare)

G = Guaranteed Issue



SHIBA HelpLine

**Statewide Health Insurance
Benefits Advisors HelpLine**

1-800-397-4422

TDD: 1-360-664-3154

Expertly-trained volunteer counselors assist and advocate for consumers regarding **health insurance, health care access, and prescription access**. Individualized and group assistance offered in Washington communities statewide, educating on rights and options, private insurance, public programs, policies, billings, appeals, and more.

www.insurance.wa.gov/consumers/shiba/default.asp



Consumer Advocacy

**Insurance Commissioner's
Toll-Free Hot Line**

1 (800) 562-6900

TDD: 1-360-586-0241

Expert professional staff answer questions and educate consumers regarding problems with any kind of insurance or insurance company—**auto, life, disability, health, homeowner/tenant, or other**. Staff have the authority to investigate complaints against insurers and agents, and enforce insurance law on behalf of consumers.

www.insurance.wa.gov

*All consumer protection services and resources are confidential, impartial,
and offered free of charge to Washington state consumers of all ages.*